TAXPAYER REFUND ACT/Minimum Wage Hike

SUBJECT: Taxpayer Refund Act of 1999 ... S. 1429. Kennedy motion to waive the Budget Act for the consideration of the Kennedy amendment No. 1383.

ACTION: MOTION REJECTED, 46-54

SYNOPSIS: As reported, S. 1429, the Taxpayer Refund Act of 1999, will give back to the American people \$792 billion of the \$3.3 trillion in surplus taxes that the Congressional Budget Office (CBO) has projected that the Federal Government will collect over the next 10 years. The projection is based on assumptions of 2.4-percent average annual growth in the economy, no growth in discretionary spending after 2002, and entitlement spending growth as required under current law. Approximately \$1.9 trillion of the surpluses will be Social Security surpluses (Republicans have been attempting to defeat a Democratic filibuster of a proposal to protect those surpluses from being spent; see vote Nos. 90, 96, 166, 170, 193, and 211). After protecting the Social Security surpluses and providing tax relief of \$792 billion, \$505 billion will remain for additional spending or debt reduction. The average growth rate over the past 50 years has been 3.4 percent. The current growth rate is around 4 percent. If the 3.4-percent average rate is maintained for the next 10 years, then (using the CBO rule-of-thumb chart from Appendix C of the January 1999 Economic and Budget Outlook) the surplus will be roughly \$4.9 trillion, not \$3.3 trillion. Key tax relief provisions include that the bottom tax rate will be lowered to 14 percent and expanded (providing \$297.5 billion in tax relief over 10 years) and the tax burden on families will be cut (providing \$221.7 billion in tax relief). Tax relief will also be given to encourage saving for retirement, to make education and health care more affordable, to lower death taxes, and to lower taxes on small businesses.

The Kennedy amendment would raise the minimum wage to \$5.65 per hour beginning September 1, 1999 and to \$6.15 per hour beginning September 1, 2000. Also, it would apply the minimum wage to workers in the Northern Mariana Islands.

All votes after vote No. 233 were on amendments or motions that were made after all debate time had expired. However, 2 minutes of debate were allowed before each vote by unanimous consent, some statements were inserted in the record, and some amendments and motions were debated prior to being offered or made. Senator Nickles raised a point of order that the motion

(See other side)

YEAS (46)				NAYS (54)			NOT VOTING (0)	
Republicans (2 or 4%)	Democrats (44 or 98%)		Republicans (53 or 96%)		Democrats (1 or 2%)	Republicans (0)	Democrats (0)	
Fitzgerald Specter	Akaka Baucus Bayh Biden Bingaman Boxer Breaux Bryan Byrd Cleland Conrad Daschle Dodd Dorgan Durbin Edwards Feingold Feinstein Harkin Hollings Inouye Johnson	Kennedy Kerrey Kerry Kohl Landrieu Lautenberg Leahy Levin Lieberman Lincoln Mikulski Moynihan Murray Reed Reid Robb Rockefeller Sarbanes Schumer Torricelli Wellstone Wyden	Abraham Allard Ashcroft Bennett Bond Brownback Bunning Burns Campbell Chafee Cochran Collins Coverdell Craig Crapo DeWine Domenici Enzi Frist Gorton Gramm Grams Grassley Gregg Hagel Hatch Helms	Hutchinson Hutchison Inhofe Jeffords Kyl Lott Lugar Mack McCain McConnell Murkowski Nickles Roberts Roth Santorum Sessions Shelby Smith, Bob (I) Smith, Gordon Snowe Stevens Thomas Thompson Thurmond Voinovich Warner	Graham	EXPLANAT 1—Official F 2—Necessari 3—Illness 4—Other SYMBOLS: AY—Annou: AN—Annou: PY—Paired PN—Paired	ily Absent nced Yea nced Nay Yea	

VOTE NO. 239 JULY 30, 1999

violated section 305(b)(2) of the Budget Act. Senator Kennedy then moved to waive the Budget Act for the consideration of the amendment. Generally, those favoring the motion to waive favored the amendment; those opposing the motion to waive opposed the amendment.

NOTE: A three-fifths majority (60) vote of the Senate is required to waive the Budget Act. After the failure of the motion to waive, the point of order was upheld and the amendment thus fell.

Those favoring the motion to waive contended:

Republicans do not want to give Democrats a chance to vote on raising the minimum wage. Therefore, though it does not belong on this bill, and though it will be defeated on a procedural vote, we have offered a proposal to raise the minimum wage to this bill. The working poor deserve this help. Why should rich Americans get the tax breaks that are in this bill while the working poor are expected to survive on just \$10,712 per year, which is what a full-time worker on the minimum wage receives? The Kennedy amendment would correct this gross inequity by raising the minimum wage to \$6.15 per hour, so that all full-time, minimum wage workers will be able to get \$12,800 per year. We urge our colleagues to waive the Budget Act for the consideration of this amendment.

Those opposing the motion to waive contended:

Senator Kennedy and other liberals believe that if you cannot get a job that pays at least \$6.15 per hour than you should be unemployed. We have always disagreed with that logic. We note also that this amendment clearly is not germane to the bill before us. Therefore, we oppose the motion to waive the Budget Act for its consideration.